

ORIGINAL

OPEN MEETING AGENDA ITEM

E-01345A-11-0224

Trisha A. Morgan

From: [REDACTED]
Sent: Wednesday, February 06, 2013 7:02 PM
To: Pierce-Web; Burns-Web; Stump-Web; BitterSmith-V
Subject: APS Rate Increase



Dear Corporation Commission,

I read an editorial in the Tempe Republic, that you are allowing the rates to be raised for APS customers. The editorial is correct in saying that all the consumers are trying to "conserve" electricity. Me personally, I conserve to save my money not because I am 'going green'. I am anything but 'going green'. And because of my switching to 'the time of day' rate I am saving \$360 a year. Because of us all using less electricity, APS is taking in less revenues. If they are on a budget, why can't they cut the budget somewhere so that the rates do not have to be raised? That's what us ordinary citizens on fixed incomes have to do if we are required to pay out more money to something we have to cut something else. Why not ask APS to reduce their fixed costs? And what are they having to pay more money on? Is it to pay for the "alternative energy" ideas that the government is involved in that don't work? Or to clean up the Navajo Generating station pollution out put, which from what you all told us is one of the cleanest burning coal stations in the nation.

I am a conservative republican and voted for every one of you and supported you in my precinct by hanging flyers on doors in the neighborhood and at my place of work. I heard you talk many times at our LD26 meetings and my Tempe Republican Women's meetings. You all said that we should vote for you over the democrat because you had your hands in our pockets and were the ones who regulated the rates for our electric and water. I was listening and this is what you warned us of that the "Solar Team" would be raising rates because of wanting to implement solar. And now you just got elected and right out of the shoot you are raising our electric rates.

I have met and like all of you five people and it is frustrating as a citizen to vote for someone you trust in from your own party and then find out they are not being fiscally conservative. Especially now that you are all republican! I'd like to know your reasoning behind the rate increase. I expect that from the democrats, but not you republicans. Yeah, it's only \$8 here and there but when all your monthly bills raise the rates that adds up to a lot of money forcing us to cut something.

Thank you.

Wendy Howe
Tempe
Darrow Precinct

Arizona Corporation Commission
DOCKETED

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AZ CORP COMMISSION
DOCKET CONTROL

Bob Stump

From: Thomas Sczudlo [REDACTED]
Sent: Monday, February 04, 2013 10:40 PM
To: RBurns-Web; BitterSmith-Web; Stump-Web; Burns-Web; Pierce-Web
Subject: APS rate increase

Attention ACC representatives,

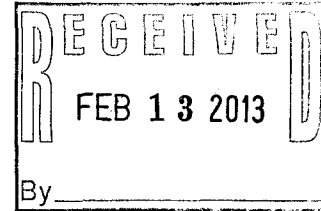
A recent mailing from APS provided news regarding electric rates. Specifically that a new charge will be added to the monthly billing. The excuse for the new charge is that since APS and the government have been messaging and providing incentives for the public to cut energy use which they have, APS has lost income. I find this totally absurd that the Arizona Corporation Commission would allow this new charge. First APS states that everyone needs to use less energy or they will have to increase the supply of energy and charge more to provide the needed increased demand. Claim was also made that cutting energy use would counter the increased demand due to new users and therefore APS would not have to provide new energy sources and subsequent price increase. Now the claim is that because the public has done what was asked the reward is a price increase. There should not be a guarantee to the power company that they are entitled to a profit in the guise of covering fixed costs. Rather, they should have to take the hit in their profits. In these economic times with unemployment and fixed incomes, people cut down naturally on expenses that are in their control in order to meet their budgets. Individuals would be laughed at if they went to their bosses and claimed that since you cut my hours and I have fixed costs that you need to give me a raise to compensate. APS should not be allowed to add this new charge and I urge you to rescind this charge as it should not have been granted. I should not have to remind you that your ACC organization is supposed to be looking out for the public interest. This is just one more reason why utilities should be not for profit as individuals need them for basic necessities of life.

On a similar note the increase in the water bill from Liberty Water (formally LPSCO) is another example, the bill has doubled with the ACC's permission. Natural Gas supposedly is in great supply but yet the bill from SWG has not been reduced. This is just further evidence that the ACC is not performing in the best interest of the public. I am an individual public consumer of for profit utilities of which no choice is possible other than moving and then you again have no choices. That means that wherever you live the utilities are a monopoly. In the case of Arizona the Arizona Corporation Commission is supposed to counteract the monopoly advantage in the public interest. Please do so.

Regards,
Tom Sczudlo

February 7, 2013

Commissioner Bob Stump
1200 W. Washington - 2nd Floor
Phoenix, AZ 85007



Dear Commissioner Stump,

Please consider repealing the Arizona Corporation Commission's approval of a rate increase for Arizona Public Service (APS) customers. The ACC has approved the step taken by APS to add an additional charge to the monthly bills of their customers to make up for their loss of electricity sales due to their success in promoting energy efficiency.

It is absolute arrogance that the government of Arizona could allow this and is beyond belief. The failure of the ACC to keep this from happening reflects a commission that has lost sight of the reason for its existence. The decision of the monopoly called APS to gouge their customers with an additional charge so that "fixed assets" can be maintained at the level previous to their loss of electricity sales, and expect us to believe that these "fixed assets" cannot be downsized to equate to their electricity sale loss is insulting. The continuation of APS involvement in solar and other energy programs to produce even more electricity demonstrates this additional charge is nothing more than greed. Most of all, the silence of the local media, the silence of our local politicians and the silence of our state representatives prior to and after this additional charge was approved is just another example in the failure of all to act responsibly.

Power is expensive enough as it is and it is extremely unfair to expect the consumer to pick up the tab for the loss of electricity sales.

Please assist the good folks who call Arizona home to continue to afford power. At the rates all utilities, food and gas prices are increasing, it is only matter of time before the common person must make a choice between power and food. We can't allow that to happen to our citizens. Please do the responsible thing for your constituents, family and friends and repeal the rate hike. APS will need to find an internal way of resolving their financial woes...much like us Americans do.

Thank you.

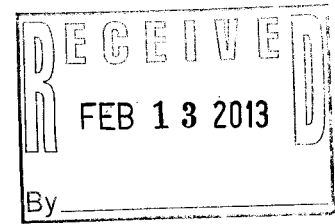
Sincerely,

A handwritten signature in cursive script, appearing to read "Barbara Kolb".

Ms. Barbara Kolb

Phoenix, AZ 85050-1309

Lawrence S. Cook
[REDACTED]
Glendale, Arizona 85308



Date: January 27, 2013

To: Mr. Bob Stump - Chairman
Arizona Corporation Commission
1200 West Washington - 2nd Floor
Phoenix, Arizona 85007

Re: APS Rate Increases

Dear Mr. Stump,

I recently replaced my split heat pump / air handler unit after twenty-three years. The old 10-seer unit was drawing twenty-one amps at startup. My new 16-seer unit draws a respectable seven amps at startup. I live in an insulated Integra Block home with r40 walls and r35 ceilings. (The walls are furred out with r9 batting)

The reason for this letter is the continuing increase in my electric rates from APS. I understand another increase has been approved to take effect in March of this year for the sole purpose of covering APS's cost to subsidize "Renewables". If my neighbor chooses to install solar panels, light bulbs or a wind turbine on his property, I should not be looted to pay for it. Anyone researching the history of "Renewables" in Europe or elsewhere can only conclude that wind and solar are simply unreliable at best. I doubt anyone on the Commission has a dime of their own money invested in any renewable company. Why, because there is nothing renewable about propping up a failed business model with taxpayer dollars, just more corporate welfare that leads to higher electric rates and eliminates competition. (The Second Law of Thermodynamics has never been defeated)

I am sure you are aware that the United States is not only in a natural gas boom but also a natural gas liquid boom as well. The cost of a new natural gas plant is 25% of the cost of solar plant and produces power 24/7/365. It will serve twice the number of homes on a fraction of the land. It would take an area the size of Rhode Island covered in solar panel to equal the generating capacity of a single 1000mw nuclear plant, again on a fraction of land needed for a solar plant. And let's not forget the warranty / maintenance costs for these thin film panels and inverters. In fact, natural gas generators provide the majority of power generated and most of these plants. Additionally, the Federal Government announced its plan to dedicate 192K acres of land to renewables in Arizona. Most of this land, if not all, have been

leased to farmers for growing food and feed; positive cash flow arrangement. Now that land will be utilized for renewables; negative cash flow arrangement. The U.S. already waste billions per year on ethanol production that pollutes 7% more than regular gasoline and drives up the cost of food. What do you think will happen to the price of food when the 192 acres is no longer available for food / feed production?

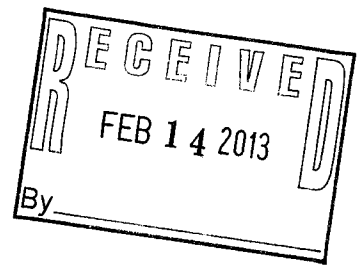
With nineteen collapsed solar companies (as far as we know) to date, do we really need to continue down this road to total failure when history has already shown the end result in other countries? How many Arizonians today receive subsidized electrical rates? How many will be added as the rates continue climbing when we have cheaper more efficient means available today? I hope the new Commission stands up for the taxpayers and stops the bleeding before it's too late. Solar / wind truly are losers.

Respectfully,

A handwritten signature in black ink, appearing to read 'Larry Cook', with a stylized, cursive script.

Larry Cook

Arizona Corporation Commission
Commissioners Window
1200 West Washington
Phoenix, AZ 85007-2964



Dear Commissioners,

February 11, 2013

Re: APS Lost Fixed Cost Recovery Charge

ISSUE The Commission approved the APS Request for a new charge to customers because electricity sales are down while "fixed costs" remain the same.

OPINION Of course, I don't have all the facts which were reviewed by Commissioners, however, I (and many APS customers, I believe) feel the request should have been denied.


REASON FOR DENIAL APS states the loss of electricity sales is due to customer energy savings measures, e.g., solar and wind systems, compact fluorescent light bulbs, etc. This is probably partly true, however, a larger reason (I suspect) is due to the existing economic conditions, i.e., lost jobs, home foreclosures and economic uncertainties. Therefore, we customers look for ways to save; including electrical power usage. We tighten our belts, just as APS should do. Instead, they appear to look at their profit margin and complain about lost electricity sales; even though they promoted energy savings via Steve Nash (prominent athlete) advertisements and customer mailings. So, what does APS do? They request a rate increase.

As stated, I don't have all the facts. However (I believe) not all "fixed costs" remain the same. For example: When less electricity is needed, less power needs to be generated and fuel costs are reduced accordingly. In addition, it may be the time to retire an old and inefficient power plant; thus reducing costs. And if sales are down, perhaps fewer people are needed and an Early Retirement Plan would reduce salary costs. So there are ways to reduce fixed costs.

RECOMMENDATION Commissioners should reconsider their decision of having granted the above referenced rate increase. If deemed appropriate, the APS Rate Increase should be rescinded and APS notified accordingly.

APS needs to tighten their belt and consider other cost savings methods, rather than request rate increases to have customers make up for lost profit margin.

Respectfully,


Alex F. Lobkovich
[Redacted]

Sedona, AZ 86336
[Redacted]

cc: APS